



# PDA Council Meeting Minutes

**Thursday, December 17, 2015**

**4:00 p.m. to 6:00 p.m.**

**Atrium Loft**

**Committee Members Present:** Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

**Staff/Consultants Present:** Ben Franz-Knight, Sabina Proto, Lillian Sherman, David Dickinson, Emily Crawford, Jennifer Maietta, John Turnbull, Matt Holland, Jay Schalow, Andre Zita, Bob Beckstrom, Gerry Johnson, Mark Kantor, Brian Lloyd, Bo Zhang, Dianna Goodsell

**Others Present:** Howard Aller, Joan Paulson, Sharon Mukai, David Kenagy

The meeting was called to order at 4:03p.m. by Matt Hanna, PDA Council Chair.

## **I. Administration**

### **A. Approval of the Agenda**

The agenda was approved by Acclamation

### **B. Approval of the November 19<sup>th</sup>, 2015 PDA Council Minutes**

The November 19<sup>th</sup>, 2015 PDA Council Meeting Minutes were approved by Acclamation

## **II. Announcements and Community Comments**

Howard Aller thanked everyone for another wonderful year.

## **III. Reports and Information Items**

### **A. Council Chair Report**

PDA Council Chair Matt Hanna presented his monthly Chair Report to the PDA Council. He noted that there would be a very full agenda with several new business items due to the recent cancellation of the Finance & Asset Management and Executive Committee meetings. He provided an overview of the meeting's agenda items including the discussion and proposed of action items related to the Low Income Housing and New Markets Tax Credits for the Redevelopment of the PC-1 North Site.

John Finke stated that he just heard news of his work's involvement with the NMTC financing transaction and noted he would recuse himself from discussion and voting upon Proposed Resolution **15-82: Authorizing Pike Place Market Preservation and Development Authority Participation in Low Income Housing and New Markets Tax Credit Financings in Connection with Redevelopment of the PC-1 North Site.**

B. Executive Director's Report

Ben Franz-Knight noted that there was a detailed written ED Report included in the PDA Council packet for December. He highlighted a few items in the ED Report including the progress on the New Market Tax Credit Financing and fundraising efforts for the MarketFront. He reported that we would be working diligently to close a deal in the early part of 2016.

C. Committee Chair Report

Rico Quirindongo mentioned that we had recently engaged in initial discussions regarding Victor Steinbrueck Park Improvements noting that we need to remain informed about this process moving forward. He encouraged a much opened, porous conversation for the future since the PPMDA is a stakeholder to the proposed project.

D. Other Reports

None

**IV. Key Issues and Presentations**

A. Public Comment for Proposed Action regarding Low Income Housing and New Markets Tax Credits

Matt Hanna called for public comment specifically for the Low Income Housing and New Markets Tax Financing as part of the statutory process for the tax credit financing transactions.

I. **Action Item:** Proposed Resolution **15-82:** Authorizing Pike Place Market Preservation and Development Authority Participation in Low Income Housing and New Markets Tax Credit Financings in Connection with Redevelopment of the PC-1 North Site.

Gerry Johnson noted that the particular resolution was a combination of the Charter and Statutory notice process that is required for transactions of this nature. He added that in respect to the New Markets transactions, that transaction has not been completely documented. He introduced the Proposed Resolution 15-82 which states that the Pike Place Market Preservation and Development Authority ("PPMPDA") has been engaged in the redevelopment of the PC-1 North Site ("PC-1N") within the Pike Place Market Historical District pursuant to the MarketFront/PC-1 North Development Agreement by and between the City of Seattle and the PPMPDA ("Development Agreement"), in conjunction with plans for the redevelopment of the central waterfront by the City, and as reflected in numerous resolutions adopted by the PPMPDA Council; and,

Whereas, the PC-1N site consists of approximately 0.75 acres bounded by Western Avenue to the east, the Alaskan Way Viaduct to the west, the existing Pike Place Market parking garage to the south, and Victor Steinbrueck Park and the Market Place North parking garage to the north; and,

Whereas, the Development Agreement provided for the transfer of the City-owned PC-1N site to the PPMPDA for the purposes of developing the MarketFront (as defined

below), and as required under State law and the PPMPDA's Charter, the PC-1N Site was conveyed to the PPMPDA subject to appropriate deed restrictions necessary to ensure the continued use of such property for the public purposes for which it is being transferred; and,

Whereas, the redevelopment project known as MarketFront ("MarketFront") includes approximately 300 parking spaces below the grade of Western Avenue, 40 units of low income senior housing, approximately 12,000 square feet of commercial retail space, approximately 30,000 square feet of public open space, including a rooftop plaza, stairs, walkways and breezeways, and a weather protected plaza canopy that will accommodate additional daystall, farm and special event activity; and,

Whereas, the PPMPDA has secured or specifically identified all the sources of the funding necessary to complete construction of the MarketFront project and, with the approval of the City, has commenced construction of the project; and,

Whereas, among the sources of funding that will be needed to complete construction of the MarketFront project are the proceeds from both federal Low Income Housing Tax Credits ("LIHTC") and New Markets Tax Credits ("NMTC"); and,

Whereas, the LIHTC financing contemplates a long term leasehold or leaseholds or other encumbrances involving a special purpose entity or entities formed for purposes of participating in the LIHTC financing; long term use or other restrictions dedicating the housing to use by low or moderate income persons; loans or other financings required for the efficacy of the tax credit structure, as well as to secure additional funding for the housing external to the tax credit structure; and formation and participation in special purpose entities needed for the tax credit structure, all among other agreements, commitments, guaranties or obligations necessary to effectuate PPMPDA participation in such a transaction; and,

Whereas, the NMTC financing contemplates a long term leasehold or leaseholds or other encumbrances involving a special purpose entity or entities formed for purposes of participating in the NMTC financing; loans or other financings required for the efficacy of the tax credit structure; and formation and participation in special purpose entities needed for the tax credit structure, all among other agreements, commitments, guaranties or obligations necessary to effectuate PPMPDA participation in such a transaction; and,

Whereas, the PPMPDA has undertaken all necessary public notice, disclosure, comment, analysis, and review processes as required by RCW 35.21.747, RCW 42.30.080, to the extent applicable RCW 39.33.020, and the PPMPDA's Charter necessary for the MarketFront project and understanding the LIHTC and NMTC transactions outlined in this resolution; and,

Whereas, with respect to the LIHTC transaction, the PPMPDA Council will consider adoption of a resolution to formally commit to participate in the LIHTC financing and

authorizing specific actions necessary for PPMPDA participation in the LIHTC transaction at the same Council meeting at which this resolution will be considered; and,

Whereas, with respect to the NMTC transaction, although material terms and conditions of the specific actions necessary for PPMPDA participation in a particular NMTC transaction continue to be developed, the PPMPDA Council nevertheless wishes to formally commit itself to participation in a NMTC transaction, subject to continued Council oversight as the transaction develops and its final review and approval of major documentation associated with the transaction;

Now, therefore, be it resolved by the Council of the Pike Place Market Preservation and Development Authority as follows:

Participation in a LIHTC transaction benefiting the low income housing component of the MarketFront project is confirmed, as more specifically described and authorized in its Resolution 15-83.

Be it resolved that by the Council of the Pike Place Market Preservation and Development Authority as follows:

With respect to PPMPDA participation in a NMTC transaction benefitting the MarketFront project, such participation is approved in concept and the Executive Director and counsel are hereby authorized to proceed with negotiation and completion of the documentation and other arrangements necessary to consummate such a transaction, all subject to continuing Council oversight and Council review and approval of major documentation and actions necessary to effectuate PPMPDA participation in such a transaction.

Betty Halfon moved Proposed resolution 15-82, Rico Quirindongo seconded the motion. Moved the proposed resolution, seconded

For: Matt Hanna, Gloria Skouge, David Ghoddousi, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: John Finke

Resolution **15-82**: Authorization to enter into LIHTC Financing for WASH (PC1N Senior Housing) had passed unanimously by the Council by a vote of 9-0-1.

**II. Action Item:** Proposed Resolution **15-83**: Authorization to enter into LIHTC Financing for WASH (PC1N Senior Housing)

Bo Zhang, Housing Developer and Brian Lloyd, Development Director from Beacon Development Group discussed the proposed Low Income Housing Tax Credit Financing transaction for the PC1N Senior Housing with the PDA Council. There was a resolution

proposed to authorize the PPPMDA to enter into a LIHTC financing for the low-income housing portion of the MarketFront project.

Betty Halfon moved Proposed Resolution 15-83, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-83**: Authorization to enter into LIHTC Financing for WASH (PC1N Senior Housing) had passed unanimously by the Council by a vote of 10-0-0.

Matt Hanna requested that staff provide a preview of all documents to the PDA Council related to the approval of Resolution 15-83.

**V. Resolutions and Other Action Items (Old and New Business)**

A. Consent Agenda

Proposed Resolution **15-79**: MarketFront Project (PC1N) Construction Administration Additional Services – Shannon & Wilson

Proposed Resolution **15-81**: MarketFront Project (PC1N) Desimone Bridge Seismic Upgrades Evaluation – Miller Hull

Motion to approve the Consent Agenda

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

The Consent Agenda passed unanimously by the PDA Council by a vote of 10-0-0.

B. New Business

**Action Item:** Proposed Resolution **15-73**: Adoption of the Strategic Planning Issues for 2016

Ben Franz-Knight introduced Proposed Resolution **15-73**: Adoption of the Strategic Planning Issues for 2016 which states that Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion of survival of small businesses, and the expansion of services to the public market community; and, whereas, in order to maintain the viability of the Market the PPMPDA has undertaken an effort to identify Strategic Planning issues and opportunities for 2016; and, whereas, these potential Strategic Planning Issues were reviewed by the PDA Full Council during the October 15<sup>th</sup> Council Retreat with input assistance from PDA Staff that included an assessment of

which Strategic Planning Issues the PDA should pursue in 2016; and, whereas, the PDA Full Council determined that further analysis and effort should be devoted in 2016 to the following Strategic Issues noted below.

Now, therefore, be it resolved that:

1. The PDA Council, in recognition that all of the issues cannot be addressed in one calendar year, identifies the following issues to be addressed, and for which a plan of action shall be explored and/or decided upon, during 2016 (the “2016 Strategic Issues”):

- Neighborhood Center
  - Partnership with Chief Seattle
  - Victor Steinbrueck/Native Park Coordination efforts
- “ONE” Market Integration
  - MarketFront Plaza Programming
  - Western Ave/Hillclimb Connection
  - Contingency Planning – Viaduct and Waterfront Planning Delays
- MarketFront Budget Planning for 2017
  - Staffing Needs
  - Operational Considerations
  - “Greening” Opportunities
  - Financial Planning
- Night Market
  - Target audience
  - Farmer Profitability
  - Space Activation
- Exploring the Outward Role of the Market
  - Resources and Education
    - Locally, Regionally and Statewide
    - Nationally
    - Internationally

2. The 2016 Strategic Issues shall be tracked on a timeline that will be updated and amended as appropriate to measure, monitor, and ensure the timely progress of Staff’s and the Council’s analysis with work on those issues beginning in January, 2016.

Gloria Skouge moved Proposed Resolution 15-73, John Finke seconded

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-73**: Adoption of the Strategic Planning Issues for 2016 passed unanimously by the PDA Council with a vote of 10-0-0.

**Action Item:** Proposed Resolution **15-86**: Authorization for Contract Authority- Garage Lighting Fixtures

Bob Beckstrom introduced Proposed Resolution 15-86: Authorization for Contract Authority- Garage Lighting Fixtures which states that whereas, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and, whereas, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the Garage Light fixtures need to be changed to energy saving LED's; and, whereas, the PPMPDA has executed a bid process to purchase LED Light Fixtures; and, whereas, this project is eligible for Seattle City Light (SCL) Energy Conservation Incentive rebates for approximately 60% of the project cost which will substantially reduce PDA costs. Now, therefore, be it resolved that that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a purchasing agreement with Platt in an amount not to exceed \$77,988.65 for replacing all of the lighting fixtures in the garage to LED fixtures.

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMGAR – CC Garage Lighting Rebate Program: 163785—00.

Patrice Barrentine moved Proposed Resolution 15-86, Betty Halfon seconded

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-86**: Authorization for Contract Authority- Garage Lighting Fixtures had passed unanimously by the PDA Council with a vote of 10-0-0.

**Action Item:** Proposed Resolution **15-87**: Authorization for Contract Authority – Tenant Restrooms Remodel – American Builders Company

Andre Zita introduced Proposed Resolution **15-87**: Authorization for Contract Authority – Tenant Restrooms Remodel – American Builders Company which states that the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and

survival of small businesses , and the expansion of services to the public market and community; and, whereas, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that nineteen of the Market's existing tenant restrooms are in need of remodel following the Capital Reserve Study; and, whereas, the PPMPDA has executed a competitive bid process to perform the necessary scope to perform the tenant restroom remodel throughout the Market.

Now, therefore, be it resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with American Builders Company in an amount not to exceed \$205,576 for the execution of the Market tenant restroom remodel.

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMMULTI Tenant Bathrooms, Accounting Code 163778-00.

Patrice Barrentine moved Proposed Resolution 15-87, Gloria Skouge seconded.

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-87**: Authorization for Contract Authority – Tenant Restrooms Remodel – American Builders Company had passed unanimously by the PDA Council with a vote of 10-0-0.

**Action Item:** Proposed Resolution **15-80**: Approval of Annual 2016 PDA Council and Committee Meeting Schedule

Ben Franz-Knight introduced Proposed Resolution 15-80: Approval of Annual 2016 PDA Council and Committee Meeting Schedule which states that the PDA Council and Council Committee meeting schedule is currently determined by setting the meeting of the full PDA Council generally on the last Thursday of each month with standing Committee meetings scheduled prior to that date throughout the month as follows:

MarketFront: 2nd Monday of the Month – 4:00 pm to 6:00 pm

Market Programs: 2nd Tuesday of the Month – 4:00 pm to 6:00 pm

Finance & Asset Management: 3rd Tuesday of the Month – 4:00 pm to 6:00 pm

Executive: Wednesday, One week prior to PDA Council – 4:30pm to 5:45pm

Whereas, certain Council and Committee meeting dates have been adjusted for holidays, which will include;

- MarketFront Committee Meeting – June 6, 2016
- Market Programs Committee Meeting – October 4, 2016



- Finance & Asset Management Committee Meeting – October 13, 2016
- Market Programs Committee Meeting – November 1, 2016
- MarketFront Committee Meeting – November 7, 2016
- Finance & Asset Management Committee Meeting – November 8, 2016
- PDA Council Meeting – November 17, 2016
- MarketFront Committee Meeting – December 5, 2016
- Market Programs Committee Meeting – December 6, 2016
- Finance & Asset Management Committee Meeting – December 13, 2016
- PDA Council Meeting – December 22, 2016

Now, therefore, be it resolved, that the PDA Council hereby amends its meeting schedule by setting the meetings for the 2016 Calendar year (an example of which is attached to this resolution as Exhibit A – 2016 PDA Council and Council Committee Meeting Calendar).

Betty Halfon moved Proposed Resolution 15-80, Betty Gloria Skouge seconded

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-80**: Approval of Annual 2016 PDA Council and Committee Meeting Schedule had passed unanimously by the PDA Council with a vote of 10-0-0.

**Action Item:** Proposed Resolution **15-78**: Amendments to PDA Council Operating Procedures and Policies

Ben Franz-Knight introduced Proposed Resolution **15-78**: Amendments to PDA Council Operating Procedures and Policies which states that the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses , and the expansion of services to the public market and community; and, whereas, in order to ensure the orderly conduct of public PDA Council and Committee meetings the PDA Council has undertaken an effort to review and update the PDA Council Policies and Procedures, specifically those policies related to the public comment and standards of meeting decorum; and, whereas, the PPMPDA has reviewed recent Seattle City Council updates related to meeting decorum to ensure compliance with existing practices; and,

Whereas, the PDA Executive Committee has reviewed proposed updates and is prepared to recommend changes to the PDA Council Policies and Procedures as reflected in attached Exhibit A, redline draft of Policies and Procedures.

Now, therefore, be it resolved that the PPMPDA amends its Operating Procedures & Policies as reflected in the attached Exhibit A, and as originally passed in Resolution 94-02, and then since amended by Resolutions 94-49, 96-36, 98-28, 01-11, 04-47, 11-92 and 13-62 to the extent that the Prior Resolutions are inconsistent with the provisions of this Resolution 15-78 they are hereby superseded and replaced.

Ann Magnano moved Proposed Resolution 15-78, Ray Ishii seconded

For: Patrick Kerr, Gloria Skouge, David Ghoddousi, Ann Magnano, Patrice Barrentine, James Savitt, Betty Halfon, Rico Quirindongo, John Finke, Colleen Bowman, Ray Ishii

Against: 0

Abstained: 0

Resolution **15-78**: Amendments to PDA Council Operating Procedures and Policies was passed by the PDA Council with a vote of 10-0-0.

#### C. Other

#### VI. Closed Session

*The PDA Council Chair stated that the Council would go into Closed Session at 5:41p.m. to discuss the property management report which included the delinquency and vacancy report along with the current commercial lease negotiations during the closed session. The Council would return in to Open Session at approximately 6:00p.m.*

- I. Lease Review – Hardship Request for Our Fabric Stash – 93 Pike St. #103 – RCW 42.30.110 [c]
- II. Property Management Report – *Closed Session (RCW 42.30.110[c])*
- III. Review of Lease Proposals
  - New Lease – Earth, Wind & Fire – 1515 Pike Place #13
  - Lease Renewal – Golden Age Collectables – 1501 Pike Place #401
- IV. Review of Delinquency Report
  - a. Vacancy Report
  - b. Current Lease Negotiations

*The PDA Council entered into Open Session at 6:11p.m*

*The PDA Council discussed a lease review for Our Fabric Stash as well discussed the property management report which included the delinquency and vacancy report along with the current commercial lease negotiations during the closed session.*

#### VII. Open Session

- A. **Action Item:** Proposed Resolution **15-88**: Lease Proposals December 2015

Jennifer Maietta introduced the lease proposals for December 2015 which included the following businesses:

Tenant	Term	Start Date
Earth, Wind & Fire Nunez Morales Group, LLC	Three (3) Years	January 1, 2015
Golden Age Collectables, Ltd. Rod & Colleen Dyke	Five (5) Years	January 1, 2015

Patrice Barrentine moved Proposed Resolution 15-88, Betty Halfon seconded.

For: Matt Hanna, Gloria Skouge, David Ghoddousi, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Rico Quirindongo, Ray Ishii, Colleen Bowman

Against: 0

Abstained: 0

Resolution **15-88**: Lease Proposals for December 2015 had passed unanimously by the PDA Council with a vote of 10-0-0.

**VIII. Further Public Comment**

Sharon Mukai commented on the MarketFront Plaza and the upcoming renewal of the Hildt Licata agreement. She noted her concerns regarding allowing future crafts on the Plaza that are not handmade and its potential competition with existing craftspeople.

Joan Paulson provided written comment to the PDA Council; a copy of her comments were included with PDA Council Meeting minutes.

**IX. Concerns of Committee Members**

None

**VIII. Adjournment**

The meeting was adjourned at 6:17pm. Matt Hanna, PDA Council Chair

Meeting minutes submitted by:  
Dianna Goodsell, Executive Administrator